

FOR DIVISION USE ONLY

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DOGM Lead: TWS

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Telephone: (801) 538-5340

RECEIVED

JAN 04 1994

DIVISION OF
OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

The informational requirements in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, General Rules and Rules of Practice and Procedures.

This form applies only to mining operations which disturb or will disturb greater than five acres at any given time.

"MINING OPERATIONS" means those activities conducted on the surface of the land for the exploration for, development of, or extraction of a mineral deposit, including, but not limited to, surface mining and the surface effects of underground and in situ mining, on-site transportation, concentrating, milling, evaporation, and other primary processing.

"Mining operation" does not include: the extraction of sand, gravel, and rock aggregate; the extraction of oil and gas as defined in Chapter 6, Title 40; the extraction of geothermal steam; smelting or refining operations; off-site operations and transportation; or reconnaissance activities which will not cause significant surface resource disturbance or involve the use of mechanized earth-moving equipment such as bulldozers or backhoes.

PLEASE NOTE: If extra space is required to complete a section, please attach additional sheets and include cross-referenced page numbers as necessary. The operator may submit this information on an alternate form, however the same or similar format must be used.

I. GENERAL INFORMATION (Rule INVENTORIED-4-104)

1. Mine Name: Last Chance Bentonite

2. Western Clay Company
Corporation

3. Permanent Address:

Lessee: Western Clay Company
508 East Center
Aurora, UT 84620
Telephone (801) 529-3281

Lessor: Stan Jackson & Associates
699 West 300 North
Richfield, UT 84701

4. Company Representative:

Neal Mortensen
Vice President
508 E. Center
Aurora, UT 84620
Telephone (801) 529-3281

5. Location of Operation:

NE 1/4 Sec 7, NW 1/4 Sec 8, T. 25 S., R. 6 E.
Emery County, UT

6. Ownership of the Land Surface:

B.L.M.

| CLAIM NAMES | UMC NO. |
|---------------------------|---------|
| Last Chance No. 25 | 347272 |
| Last Chance No. 26 | 347273 |
| B.L.M. Ref No. U67-N92-01 | |

7. Owner(s) of Record of the Minerals to be mined.

Stan Jackson & Associates
699 West 300 North
Richfield, UT 84701

8. Have the above owners been notified in writing.

Yes

9. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice?

Yes

II. MAPS, DRAWINGS & PHOTOGRAPHS (Rule R647-4-105)

1. Base Map: A base map has been prepared that covers 12 acres of ground to be disturbed. It graphically illustrates profiles showing pit contours, surface contours and reclamation profile. A claim map is included that has been transposed on a USGS 7.5 minutes or 2,000 feet to the inch.

- (a) Map plan and reclamation map indicate property boundaries of all lands which are to be affected.
- (b) There are no perennial streams, springs, buildings, landing strips, electrical transmission lines, water wells, oil and gas pipelines, existing well or boreholes, or other existing surface or subsurface facilities within 500 feet of the proposed mining operation.
- (c) The Willow Springs county road is the main access that is connected to Interstate Highway 70 at Fremont Jct. The county road is shown on claim map. *- IS THE ACCESS ROAD CREATED BY THE OPERATOR SHOWN ON THE MAP IN ITS ENTIRETY?*
- (d) Western Clay has been developing the bentonite on a Notice Plan of Operations approved by the BLM office in Price, Utah. The operation has disturbed less than five acres. This is the only previous area impacted by mining.

*E-APPROX 40 BE
DISTURBED OR RECLAIMED
EACH YEAR? X*

2. Surface Facilities Map:

- (a) No surface facilities are planned at this time. The material is mined by front end loader, disked and stockpiled. The stockpile material is transported to the Western Clay plant in Aurora, Utah. If other beneficiating is required it is processed at the existing plant.

*LOCATION OF
TOPSOIL STOCKPILES?*

*BORDERS IDENTIFYING
WASTE AREAS?*

A waste area is illustrated on the mine plan map. The waste area includes any overburden that will be used for reclamation purposes.

There is no waste water or liquid wastes of any kind.

The reclamation will be done to contour the disturbed area to form slopes that will drain into the natural drainage area.

(b) The maps clearly illustrate the border outlining the

extent of the surface to be disturbed. The amount of acres consist of two adjacent blocks. Block No. 1 contains 8.5 acres and Block No. 2 contains 3.5 acres for a total of 12 acres.

(c) There is no bore or core holes. There is the existing pit as shown on the map where the bentonite is being mined at the present time.

3. Additional Maps:

If additional maps are required and present maps need to be changed to be applicable to Rule R647-4-105.3, Western Clay will do so.

III. OPERATION PLAN (Rule R647-4-106)

1. Mineral to be Mined.

Bentonite (a clay consisting of smectite minerals)

2. Acreage to be Disturbed:

Block No. 1 8.5

Block No. 2 3.5

TOTAL 12.0

— WHAT ABOUT THE ACCESS ROAD OFF THE COUNTY ROAD? (PREVIOUS COMMENT)

3. Methods and Procedures to be Employed for Mining, on site Processing and Concurrent Reclamation.

The cacti (PEDIOCACTUS WINKLERI) occurs sporadically in the area where the proposed mining of the bentonite will be done. The cacti does occasionally appear in the material or cedar mountain formation that forms a cap rock over the bentonite. It is Western Clays intent to have the formation inventoried for any plant that may be considered a candidate for or is a threatened endangered plant. All other plant species shall be identified and replaced if possible when doing the reclamation.

After the inventory of plants are made the overburden will be stripped and stockpiled in the designated areas identified as waste areas on the enclosed reclamation map.

ARE OVERBURDEN WASTE & CLAY WASTE STOCKPILED TOGETHER?
FEASIBLE FOR RECLAMATION?

The overburden or bentonite does not require the use of explosives. All overburden will be moved with a bulldozer with rippers or a front end loader.

The bentonite that meets product specifications will be stockpiled. The lower grade or bentonite that does not meet the quality required for marketing will be stockpiled in designated waste areas.

The amount of tonnages mined depends on the demand and sales of product. The market in which Western Clay is selling their product is a specialized market requiring superior quality bentonite. The annual sales are projected from 15,000 tons or whatever customers will buy.

There will be no installation of buildings or beneficiating equipment on site. The product material is stockpiled and transported to Western Clays plant in Aurora where any beneficiating required will be done.

The bentonite ranges in thickness of approximately 100 feet and thins as it goes down dip on the bed. The hanging wall side is dipping at a steeper angle than the footwall indicating a pinching or narrowing affect. However, the quality seems to be of better purity down dip as the cap rock has protected it from elements that contaminate.

The overburden ranges from a thin veneer near the top and increases in thickness as you go down dip on the deposit. The amount of overburden removed will depend on two factors. Number One, the quality of bentonite that will warrant a higher stripping ratio and Number Two, if a cap rock is encountered that cannot be removed without the use of explosives. If explosives are desired permission will be sought.

The property is situated in a high desert environment that has no running streams or wells near by. We have no data or information as to what the water table is. We will not be encountering any water or handling of any water in our operation. The bentonite has enough contained moisture that it does not create a dust factor. The overburden can be removed when the wind is low so no large dust clouds will be created.

The only known deleterious material would be in the form of silica dust particles that could form while moving the overburden material. Enclosed is copy of a chemical analysis of the bentonite.

There will be no tailings sediment or other major drainage control structures. All drainage will be the natural effluent discharge that now exists.

The vegetation is very sparse in the overburden and none in the chemically inert bentonite. When an inventory is made and plants are identified, the seed will be purchased and planted as reclamation is done. Photographs are enclosed to illustrate the present summer time vegetation.

The bentonite has been deposited under marine conditions from a parent volcanic ash. It is of lower Cretaceous underlying the Burro Canyon and Cedar Mountain formations. .

It rests on the Brushy basin shale member of the Morrison formation of the upper Jurassic.

The deposit is striking northwest and dipping at a low angle of 20 to 30 degrees to the northeast.

IV. IMPACT ASSESSMENT (Rule R 647-4-109)

- RECLAMATION
PLAN SECTION
1. List Current Land Use(s) other than Mining.

We do not know of any use beyond an occasional ATV cruising the area. There is no feed for livestock or wild game.

2. List Future Post-Reclamation Land-Use(s) Proposed.

It is Western Clays intent to reclaim the land to a natural contour as illustrated on profiles. The contouring will be done to form a natural slope that conforms with the existing drainage.

The fill for contouring will be capped with the overburden material removed and stockpiled.

We have no proposed post-reclamation use for the land.

3. Describe each Phase of Reclamation of the Minesite in Detail under the Following Categories.

(a) Disposal of Trash:

All trash and other waste materials will be removed and disposed of in authorized land-fills or disposal areas.

No buildings are planned.

(b) Backfilling & Grading:

The waste and backfill will be stockpiled around the perimeter of the area being mined. The purpose of this method is to reduce the distance of material to be moved for backfill and grading. Because of the short distance the material moved will be done with a bulldozer large enough to carry the material efficiently to form the contouring required.

(c) Soil Material Replacement:

The top soil material will be spread and obtained from stockpiles. As illustrated on reclamation map a ridge of overburden is situated near the north-center of the area disturbed. If any soil borrow is necessary it will be removed from the designated ridge.

The top soil material which is more of a gravel than soil will be replaced sufficiently to cover the area disturbed. Most probable to a thickness of about one foot or enough to offer cover to be suitable for any re-seeding.

(d) Seed Bed Preparation:

A farm tractor pulling a disc is part of the equipment used in breaking up the bentonite. This piece of equipment can be used to help prepare the seedbed.

(e) Seed Mixture:

The seed mixture will be obtained as recommended by the division.

(f) Seeding Method:

The method to be used can be any of the recommendations suggested by the division.

(g) Fertilization:

Will follow the recommendations of the division.

(h) Other Revegetation Procedures:

No other revegetation procedures are planned.

VI VARIANCE

No planned deviations are foreseen at this time. If any operating practices are necessary, Western Clay will notify the division and be in compliance with Rule R647-4-007 (operating practices).

- SIGNATURE BLOCK?

S/015/061

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APR 20 1992

DIVISION OF
OIL GAS & MINING

April 15, 1992

San Rafael Resource Area
900 North 700 East
Price, Utah 84501

Reference No. U67-N92-01

SUBJECT: Amendment to Notice for Operations on Claim Known as
Last Chance No. 26.

ATTENTION: Mr. Neil Simmons

Gentlemen:

The purpose of this letter is to request a change in our operation plan on Last Chance No. 26.

We want to abandon a portion of the original mining area on the ^{east}~~west~~ and add to our original plan to the ^{west}~~east~~. A map is enclosed to graphically illustrate our amended plan.


The following is the acreage we are adding on, area retained from original plan and area we are not going to use (this ground has not been disturbed).

| | |
|-----------------------------------|------|
| ACRES ADDED ON | 2.29 |
| ACRES RETAINED FROM ORIGINAL PLAN | 1.9 |
| ACRES IN ORIGINAL ACCESS ROAD | 0.4 |
| TOTAL ACRES TO BE DISTURBED | 4.6 |
| ACRES ABANDONED NOT DISTURBED | 1.7 |

If you need additional information please call me at (801)277-2282.

It should be noted the claims listed as Stan Jackson & Associates operators has been leased to Western Clay Co., Aurora, Utah who is now the operator.

Sincerely,


E. M. Garrick
Consulting Geologist, Agent

encl. Mine Plan Map

cc: Neal Mortensen

RECEIVED
APR 21 1992
DIVISION OF
OIL GAS & MINING

OPEN STOCKPILE
MATERIAL

EXPANSION OF PIT

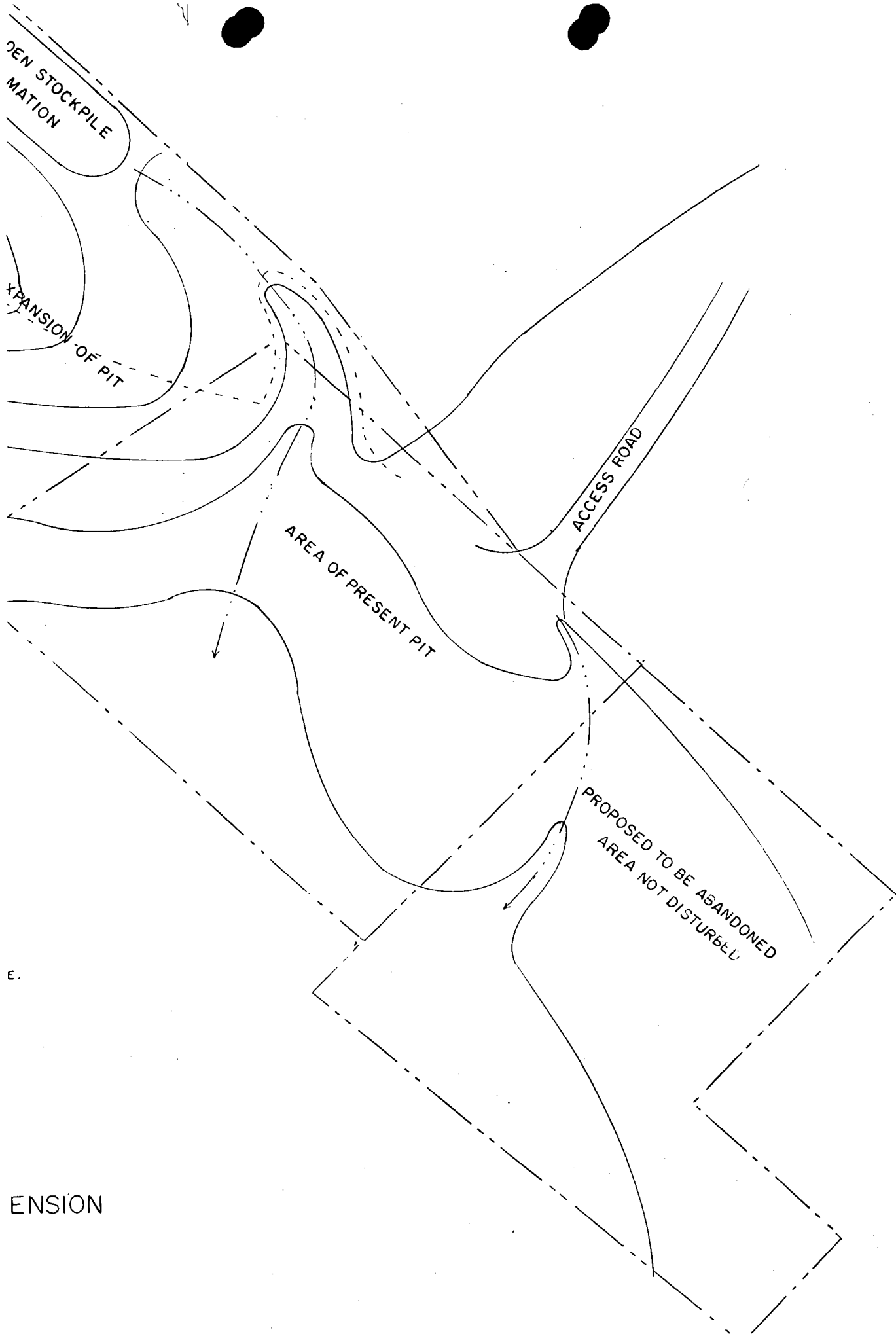
AREA OF PRESENT PIT

ACCESS ROAD

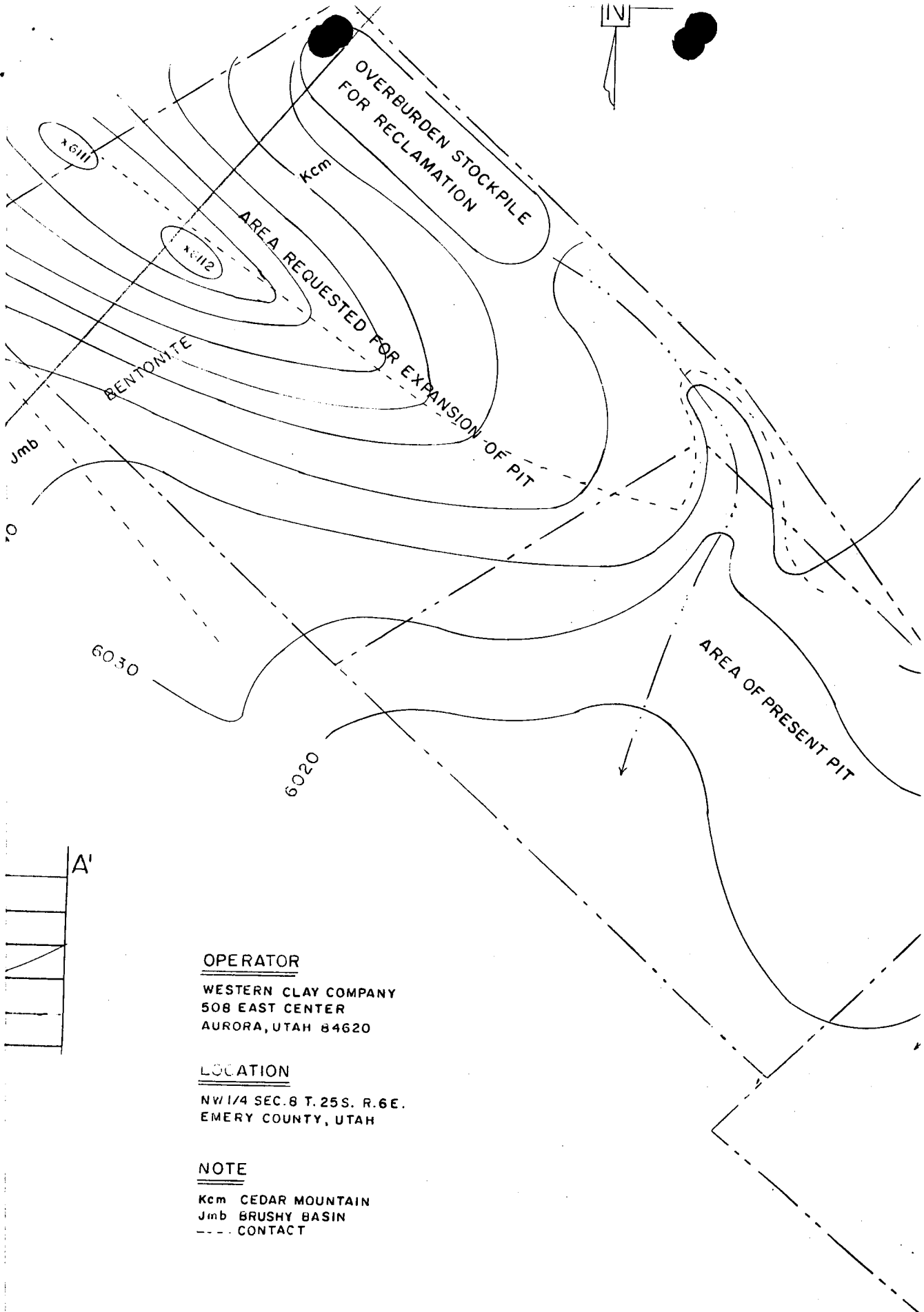
PROPOSED TO BE ABANDONED
AREA NOT DISTURBED

E.

ENSION



IN



OPERATOR

WESTERN CLAY COMPANY
508 EAST CENTER
AURORA, UTAH 84620

LOCATION

NW 1/4 SEC. 8 T. 25 S. R. 6 E.
EMERY COUNTY, UTAH

NOTE

Kcm CEDAR MOUNTAIN
Jmb BRUSHY BASIN
---- CONTACT

MAP SHOWING MINE PIT EXTENSION

SCALE 1 INCH = 50 FEET

